



CITY OF  
**HAYWARD**  
HEART OF THE BAY

# **Update on AB 1484 and Redevelopment Agency Dissolution**

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# Presentation Overview

- 1) Background on Recent State Legislation – ABx1 26 (Dissolution Act) and ABx1 27 (Voluntary Program Act)
- 2) CRA/League of CA Cities lawsuit/Supreme Court Decision
- 3) Key Provisions of AB 1484
- 4) Key Milestone Dates
- 5) Recommended Actions



# Background on Recent State Legislation

- Between June 28 and June 30, 2011, Governor approved State budget, including trailer bills ABx1 26 (Dissolution Act) and ABx1 27 (Voluntary Program Act)
- CRA/League file lawsuit on July 18, 2011 and Supreme Court rules in State's favor on December 29, 2011 (Voluntary Program Act unconstitutional; Dissolution of RDAs constitutional)
- Legislation fundamentally restructures California Community Redevelopment Law (CRL) with complicated implications for cities and redevelopment agencies throughout State, including Hayward



# ABx1 26 – Dissolution Act

- Immediately suspends and prohibits most redevelopment activities, including:
  - Incurring new or restructuring existing indebtedness
  - Make loans or grants
  - Enter into or amend existing agreements
  - Transfer funds/assets or acquire real property
- Creates Successor Agency to pay enforceable obligations, dispose of properties and wind up affairs of the former Redevelopment Agency.
  - City to serve as Successor Agency
  - City Housing Authority to serve as Successor Housing Agency
- Oversight Board established to monitor activities of successor agency – comprised of seven members



# Key Provisions of AB 1484

- July 9 Payment Demands
- Notice of Completion Process
  - Housing Audit
  - Other funds Audit
- Asset Management Plan
- General Fund loan repayment (sort of)



# Key Milestone Dates

July 9: Notification of Funds Due from December 2011 property tax payment to Taxing Entities (Payment Demand)

July 12: Successor Agency (SA) Payment Deadline

July 18: City sales tax payment suspended if SA fails to pay

August 1: Submit Housing Asset list to Department of Finance (DOF)

September 1: Submit Jan-June 2013 ROPS to DOF

October 1: Submit Housing Fund Audit to DOF and others

December 15: Submit other RDA Funds Audit to DOF and others

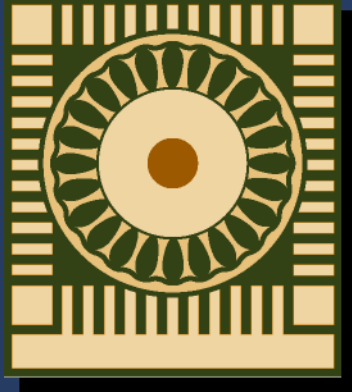
April 2013: DOF issues Notice of Completion



# Recommended Actions

- 1) Approve Modified Recognized Obligation Payment Schedule (ROPS) for July – December 2012
- 2) Approve ROPS for January – June 2013
- 3) Approve Successor Agency Administrative Budget for January – June 2013
- 4) Approve Transfer of A & Walnut and B & Grand Affordable Housing properties from the City to the Housing Authority





# Questions/Discussion

